

3.501-2 General.

(a) Buying-in may decrease competition or result in poor contract performance. The contracting officer must take appropriate action to ensure buying-in losses are not recovered by the contractor through the pricing of-

(1) Change orders; or

(2) Follow-on contracts subject to cost analysis.

(b) The Government should minimize the opportunity for buying-in by seeking a price commitment covering as much of the entire program concerned as is practical by using-

(1) Multiyear contracting, with a requirement in the solicitation that a price be submitted only for the total multi-year quantity; or

(2) Priced options for additional quantities that, together with the firm contract quantity, equal the program requirements (see [subpart 17.2](#)).

(c) Other safeguards are available to the contracting officer to preclude recovery of buying-in losses (*e.g.*, amortization of nonrecurring costs (see [15.408](#), [Table 15-1](#), paragraph A, column (2) under "Formats for Submission of Line Item Summaries") and treatment of unreasonable price quotations (see [15.405](#)).

Parent topic: [3.501 Buying-in](#).